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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/660,211	09/10/2003	Liane Redford	16222U-012710US	6545

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EXAMINER
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ALVAREZ, RAQUEL

ART UNIT	PAPER NUMBER
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3688

MAIL DATE	DELIVERY MODE
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02/22/2010

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	10/660,211	REDFORD ET AL.	
	<b>Examiner</b>	<b>Art Unit</b>	
	Raquel Alvarez	3688	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period **will** apply and **will** expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply **will**, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 12/7/2009.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 1-20 and 44-50 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-20 and 44-50 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                     | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

### DETAILED ACTION

1. This office action is in response to communication filed on 12/7/2009.
2. Claims 1-20 and 44-50 are presented for examination.

#### **Claim Rejections - 35 USC § 103**

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 1-22 and 44-50 are rejected under 35 U.S.C. 103(a) as being unpatentable over Powell (5,956,694 hereinafter Powell) in view of Leonard et al. (5,903,874 hereinafter Leonard).

With respect to claims 1, 5-7, 15-16, 20-22 Powell teaches a system for managing a coupon redemption under a reward program (Abstract). A portable token configured to store an electronic coupon and a redemption information (i.e. customer carries customer card 295, the card containing coupon and redemption information about the products that can be redeemed (Figure 12);

A token acceptance device configured to receive the portable token and store a redemption limit relating to the electronic coupon, the redemption limit representing the maximum number of times the electronic is allowed to be redeemed for the corresponding reward under the reward program, the token acceptance device further configured to receive information relating to a transaction from a holder (i.e. checkout

900 901 and 902 having software to determine and make sure that the coupons are redeemed only once)(See Figure 15);

Wherein the holder indicates to the token acceptance device that the electronic coupon is to be redeemed and applied to the transaction (see Figure 15);

Wherein upon receiving indication of redemption of the electronic coupon, the token acceptance device compares the redemption limit to the redemption tally and determines whether the electronic coupon is allowed to be redeemed and applied to the transaction (i.e. the checkout determines if the coupon hasn't been redeemed, if it hasn't then it is applied to the transaction price)(see Figure 15).

Powell doesn't specifically storing in the coupon the redemption tally for the times that the coupon has been redeemed and updating the redemption tally. Leonard teaches on Figure 12, using a tally to determine if the coupon has reached its maximum number of usages in order to determine if it can be applied to the transaction and updating the file every time the coupon has been redeemed. It would have been obvious to a person of ordinary skill in the art at the of Powell's invention to have included in the memory storage of Powell's smartcard coupon, a tally for the times that the coupon has been redeemed and updating the redemption tally every time the coupon has been redeemed as taught by the file of Leonard because such a modification would allow the portable token (smart card of Powell) to internally keep track in each smartcard of the time the coupon has been redeemed and therefore will provide versatility and portability.

With respect to resolving conflicts between the electronic coupon and a paper-based coupon. Official Notice is taken that it is old and well known to resolve conflicts such as conflicts between coupons presented to be redeemed. For example, if a customer presents two coupons with the same serial number or SKU or UPC the system will determine if that particular serial number or SKU or UPC pertaining to that particular coupon has been previously redeemed. It would have been obvious to a person of ordinary skill in the art to use the same principle of checking the serial number, SKU and UPC data on paper coupons and an electronic coupons and electronic coupon in order to avoid fraud.

With respect to claims 2, 8-9, 12-14, 44, 46, 48 Powell further teaches a reward program sponsor establishing coupon conditions and redemption conditions and limits (i.e. store 100 setting coupon conditions and limits). Powell doesn't specifically teach the program sponsor communicating the redemption information to a reward host. Leonard teaches on Figure 1, 132 overseeing and storing redemption limits, the redemption limits representing the maximum number of times an electronic coupon is allowed to be redeemed for a reward under the reward program (Figure 1, 132). It would have been obvious to a person of ordinary skill in the arts at the time of Applicant's invention to have included a reward host in order to allow the reward host to share the information as to the terms and redemption information pertaining to the reward programs and the like.

Claims 3, 10, 17-18, 19 and 50 Powell doesn't teach the reward host is further configured to allow the reward program sponsor to change the redemption information in response to one or more conditions. Leonard further teaches Data Distribution System (DDS) 132 overseeing all the promotions coupons and discounts. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included the store 1000 in Powell to use a reward host as disclosed by Leonard to oversee the entire reward schemes and to allow for stores 1000 to make changes and modifications. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included the teachings of Leonard of a host configured to allow the reward program sponsor to change the redemption information in response to one or more conditions. Leonard further teaches Data Distribution System (DDS) 132 overseeing all the promotions coupons and discounts in order to obtain the above mentioned advantages.

With respect to claims 4, 11 Powell teaches the coupon based on holder's criteria such as demographic information. Powell that the demographic information is used to impose a redemption limit to the holder of the token. Leonard teaches limiting the redemption limit (Figures 10-12). It would have been obvious to use the customer's criteria of Powell to impose redemption limit in order to customize the coupon's limit based on the user's needs.

Claim 47 further recites storing within the memory of the portable token for use if it determines there is a conflict with other coupons. Official Notice is taken that it is old and well known to store conflicts, problems or the like in a database/memory or the like in order to consult or refer to it at a future day. For example, vendor, business and the like store conflicts/problems in the accounts such as issue of bad checks in the account or the like in order to prevent fraud. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included storing within the memory of the portable token for use if it determines there is a conflict with other coupons in order to obtain the above mentioned advantage.

Claim 49 further recites the portable token being a smartcard. Powell doesn't specifically teach the portable token being a phone. Official Notice is taken that it is old and well known to use cellular phone or the like to store electronic coupons/discounts, etc. in order to provide convenience to the user by allowing the user to receive coupons via already owned device such as the well known cellular phones. It would have been obvious to a person of ordinary skill in the art at the time of Applicant's invention to have included the portable token being a smartcard in order to obtain the above mentioned advantage.

**Response to Arguments**

5. Applicant's arguments filed 12/7/2009 have been fully considered but they are not persuasive.

6. Applicant argues that Powell and Leonard fail to teach or suggest a portable token configured to store an electronic coupon and redemption tally. The Examiner wants to point out that Powell teaches a smartcard 250 for storing electronic coupons, the memory in the customer card is updated, **so the electronic coupon in the list cannot be repeated again** (col. 10, lines 4-6). Leonard teaches a reusable encrypted coupon, which is associated with a coupon file that maintains coupon record such as a counter that tallies maximum number of redemptions usages (see Figure 12 and Abstract). Contrary to Applicant's arguments Powell doesn't teach away from storing the redemption tally at the smartcard 250 because Powell recognizes that the coupon list needs to be updated in order to prevent fraudulent usage by making sure that the **coupon in the list cannot be repeated again** (col. 10, lines 4-6). One of ordinary skill given Powell and Leonard will recognize that using Leonard coupon's file that maintains redemption usage and tallies the number of usages into the smartcard of Powell will allow the smartcard of Powell to contain all the coupon redemption in the convenience of the smartcard carried by the user in order to allow all the information to be read from one single location and therefore as stated in the modification above provide versatility and portability of the information.

7. In response to applicant's argument that the examiner's conclusion of obviousness is based upon improper hindsight reasoning, it must be recognized that



Art Unit: 3688

any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. But so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. See *In re McLaughlin*, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971).

8. Applicant states that storing a tally on the customer card of Powell would result in a card that stores coupons that can be used more than once and that such usage is contrary to the intended purpose of Powell, which is that all coupons on the customer card are to be erased each time the customer card is presented for redemption to prevent fraud and repeated use. The Examiner wants to point out that Powell wants to prevent fraud and fraudulent use of the coupons and that therefore it would make perfect sense to add the redemption file of Leonard to the smartcard of Powell in order to better keep prevent fraud by keeping track exactly of the amount of usage and redemption of the electronic coupons.

9. With respect to the Official Notice taken on resolving any redemption conflict associated with a concurrent redemption of the electronic coupon and other coupons, the Examiner has provided examples of the well known facts and Appellant hasn't provided a proper challenge in the response mailed on May 26, 2009 that would at least cast reasonable doubt that the known facts weren't known prior to Applicant's invention. A proper response would have to include why as the date of Applicant's invention the

well known facts weren't known to one of ordinary skill in the art. Therefore the Official notice is sustained. See MPEP 2144.03.

**Conclusion**

10. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

**Point of contact**

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Raquel Alvarez whose telephone number is (571)272-6715. The examiner can normally be reached on 9:00-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Robert A. Weinhardt can be reached on (571)272-6633. The fax phone

Art Unit: 3688

number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Raquel Alvarez/  
Primary Examiner, Art Unit 3688

Raquel Alvarez  
Primary Examiner  
Art Unit 3688

R.A.  
2/16/2010